

Honorable Marsha J. Pechman

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHANEL, INC.,

Plaintiff,

vs.

TJO LIOK PO a/k/a IVANNA LIM
a/k/a IVANNA 80 a/k/a BRANDNAMES88
a/k/a HANDYBAGS a/k/a SHOP1788 a/k/a
LAST4EVER_BAG a/k/a IXIEL NURSA
LIM a/k/a IXIEL NURSALIM and JOHN
DOES 1-10,

Defendants.

Cause No. 02-700

ORDER GRANTING
MOTION FOR ATTORNEY'S
FEES, COSTS, AND
PREJUDGMENT INTEREST

On May 9, 2005 the Court entered its Second Amended Judgment for damages, and awarded fees, costs, and prejudgment interest. The Court having received and reviewed the Plaintiff's Motion for Attorney's Fees, Costs, and Prejudgment Interest hereby partially grants and partially denies Plaintiff's Motion and enters the following award of damages, attorney's fees, costs, and prejudgment interest:

ORDER
Cause No. 02-700P

1	1.	For counterfeiting five registered trademarks at \$400,000 each	\$2,000,000.
2	2.	For Attorney's fees	\$62,237.
3	3.	For Costs	\$3,873
4	4.	For Prejudgment interest	<u>\$258,367</u>
5		Total	
6			\$2,324,477

7 The Court has determined that prejudgment interest is appropriate in this matter. Plaintiff
8 has requested that prejudgment interest be awarded at the Washington state rate of 12%
9 (pursuant to RCW 19.52.010), which would yield an award of \$920,000 in prejudgment interest
10 alone. Plaintiff cites Data General Corp. v. Grumman Systems Support Corp., 36 F.3d 1147 (9th
11 Cir. 1994) for the rule that the state interest rate is appropriate in these circumstances, but has
12 provided no specific page citation in support. The Court's review of this 42-page opinion failed
13 to corroborate Plaintiff's claim.

14 It does appear to be the general rule in the 9th Circuit that in diversity cases, the prevailing
15 party is entitled to prejudgment interest at state rates. *See, e.g., In re Cardelucci*, 25 F.3d 1231
16 (9th Cir. 2002). But this is not a diversity case – Plaintiff sued under federal law for copyright and
17 trademark infringement. Case language more on point may be found in U.S. v. Pend Oreille
18 Public Utility District No. 1, 28 F.3d 1544, 1153 (9th Cir. 1994):

19 Since this case arises under federal law, the district court should apply federal pre-
20 judgment interest principles. Home Savings Bank, F.S.B. v. Gillam, 952 F.2d 1152, 1161
21 (9th Cir. 1991) ("The award of pre-judgment interest in a case arising under federal law
22 rests within the sound discretion of the court."); Board of County Commissioners v.
United States, 308 U.S. 343, 352, 60 S.Ct. 285, 289, 84 L.Ed. 313 (1939) ("The cases
23 teach that interest is not recovered according to a rigid theory of compensation for money
24 withheld, but is given in response to considerations of fairness. It is denied when its
25 exaction would be inequitable.").

26 Plaintiff also cites McRoberts Software Inc. v. Media 100 Inc., 329 F.3d 557 (7th Cir.
27 2003) for the proposition that "[s]ubstantial prejudgment interest awards are typically awarded to
28 carry out the intent of the federal statute." Mtn at p. 2. Calculating interest at the federal rate

(based on the U.S. Treasury rate of 3.37% per annum) would result in an award of \$258,367. \$258,367 is a “substantial” amount, and the Court finds that (in light of the equally “substantial” \$2 million damage award), it is both equitable and appropriate.

Dated this 11th day of July, 2005.



Marsha J. Pechman
U.S. District Judge